NSC BRIEFING

#### CONFIDENTIAL

30 MARCH 1955

#### SOVIET CAMPAIGN AGAINST WEST GERMAN REARMAMENT

- How that France and Germany have at last ratified the Paris Accords, the Soviet campaign to block West German rearmament has entered a new phase.
  - A. While still insisting that ratification of Accords has nade talks on Germany impossible, Moscow has inserted a new element in its campaign an apparent willingness to talk on Austria.
- II. Kremlin may see an Austrian treaty as a means of preventing German rearmament.
  - Noscow is advertising the possibility of an Austrian "settlement"-on the condition that Mustria observe strict neutrality-in an effort to what West German appetites for a similar "settlement" there.
    - No Communists are already pushing the story that what Moscow really wants is a protective belt of neutral states on its western frontier, from Sweden through Germany and Austria to Tugoslavia.
  - B. Too early, now, to may just when the possible gain in Germany will make the Kremlin pay the price of an actual agreement on an Austrian Treaty.
- III. Even while "settlement" still emfy in talk phase, USER hopes to exploit Austrians' keen desire for treaty by forcing them

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ties with Bonn.

- A. Immediate Eremlin aim is to get very firm commitment to neutrality from Austrian leaders in April visit to Moscow.
- B. Moscow also wants right to sent troops back into Austria if: it sees "direct threat of an Anschluss".
- IV. Meanwhile, in order to convince Vestern Europeans of the futility of rearming West Germany, the Seviet Union is publicizing increase in Orbit security measures (first announced at Messow conference last December).
  - A. Soviet bloc states have announced (21 March) agreement on a nutual aid treaty and a unified command.
    - 1. Say these will take effect when Paris accords completely ratified.
    - 2. Would include Soviet Union and all East European Satellites.
  - b. Important to suphasime that such arrangement would provide ready-made excuse formaintenance Soviet forces in Hungary and Rumania.
    - 1. Thus, one minor obstacle to Austrian Tweaty (from Soviet point of view) would no longer exist.



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- C. East Germans have jumped gus and announced that emppletion of ratification by Boan has ferced them to take "defense measures" now.
  - However, previous East German statements suggest formal creation of armed forces likely to await actual establishment West Germany army.
- D. Satellites announcing increases in defense speding--Czechoslovakia (34%), Peland (12%).

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- I. With long-last French, German ratification Paris Accords, Soviet campaign to block West German rearmament has entered a new phase.
  - A. While still insisting Accords action has made talks on Germany impossible,

    Moscow has produced new element—

    apparent willingness to talk on Austria.
- II. Kremlin may see an Austrian treaty as a means of preventing German rearmament.
  - A. Now plugging possibility of Austrian "settlement"--on condition Austria observes strict neutrality--in effort to whet West German appetites for similar "settlement" there.
    - Commies "leaking" story that what Moscow really wants is protective belt of neutral states on western

frontier (from Sweden through pproved For Release 2003/03/28 CIA-RDP79R00890A000500030961-2 Germany and Austria to Yugosiavia)

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ble gain in Germany will make Kremlin pay price of an actual agreement on Austrian treaty.

- III. Even while such "settlement" still only conversation, USSR hopes exploit Austrian hopes by forcing them forego such links with West as NATO or close ties with Bonn.
  - A. Immediate Kremlin aim--very firm commitment to neutrality from Austrian leaders (April trip to Moscow).
  - B. Moscow also wants right to send troops back into Austria if "direct threat of Anschluss" seen.
- IV. Meanwhile, in order to convince Western
  Europeans that rearming West Germany is
  futile, Kremlin is publicizing increase in
  Orbit security measures (first announced
  at Moscow conference, Dec '54).
- A. Soviet Bloc states have announced (21

  March) nutual aid treaty, unified Bloc

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- Would include Soviet, all E. E. Satellites.
- B. Arrangement would provide ready-made excuse for maintenance Soviet forces in Hungary, Rumania.
- C. East Germans have jumped gun, announced that ratification by Bonn has forced them to take "defense measures" now.
  - 1. However, previous statements suggest formal creation East German armed forces likely to await actual establishment West German army.
- D. Satellites announcing increases in defense spending--Czechoslovakia (34%),
  Poland (12%).

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